



Implementation of the Environmental Advisory Rules Committee's (ARC) Recommendations

Air Quality Division

April 2013

Recommendation A-1: Air Toxic Rules

The first meeting of the Air Quality Division's (AQD's) Air Toxics Workgroup was held on December 3, 2012. The Workgroup was convened to review and consider the recommendations for the air toxics program made by the Environmental ARC and to review other air toxics rule issues that may be identified by the Workgroup and AQD. The Workgroup will meet monthly over the next six to nine months.

The Air Quality Division's (AQD's) Air Toxics Workgroup held their second and third meetings on January 17, 2013 and March 5, 2013. The due date for final draft rules is August 1, 2013.

Recommendation A-2: Mercury Rules: Part 15 Rules (R 336.2501 – R 336.2514)

The AQD has submitted a request for rulemaking (RFR) to amend the Michigan Mercury Rules (MMR). The RFR describes the rule amendments as such, "The purpose of these revisions is to amend Rules 1503(2)(a) and (6), Rule 1509(1), Rule 1512 and Rules 1513(1)(a) and (3), to align the compliance dates with the federal Mercury and Air Toxics Standard (MATS). Rule 1514 will be amended to reflect the MMR requirements will remain in effect on January 1, 2015, unless an applicable final federal rule to control mercury is legally enforceable and in effect. MATS is currently under challenge in federal court."

Under Michigan Rule 1512(1)(a)(i), companies are required to submit a permit application for each of the affected electric generating units (EGUs) by June 2012 with the earliest compliance plans due in June 2013 (Rule 1503). The AQD recognizes the uncertainty this places on the regulated community. The state rules remain in place as this provides a backstop necessary for Michigan to address the statewide fish consumption advisories and the total maximum daily load (TMDL) requirements of the Clean Water Act.

On June 1, 2012, the AQD issued a [variance](#) for the permit application date. Section 5535 (MCL 324.5535 *Suspension of enforcement; reasons; variance*) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), allows the DEQ to suspend enforcement of any rule that would be an unreasonable hardship upon the person, provided it is granted by variance and it does not violate the federal Clean Air Act (CAA). Altering this first milestone to coincide with the plan submission is reasonable and does not violate the Clean Air Act.

The AQD submitted a new request for rulemaking (RFR) to amend the Michigan Mercury Rules. It was submitted to the Office of Regulatory Reinvention (ORR) on March 14, 2013 and was approved on April 9, 2013. The AQD worked with stakeholders on drafting changes to the Michigan Mercury Rules. The

~~strike~~-bold draft rules and the Regulatory Impact Statement and Cost Benefit Analysis (RIS/CBA) has been submitted to ORR. This rule package is identified as ORR 2013-021 EQ.

Recommendation A-3. Additional Rule 201 (Permit to Install) Exemptions

The ten members of the Exemption Workgroup held their first meeting on December 20, 2012. The Exemption Workgroup held their second and third meetings on January 24 and March 6th. The due date for final draft rules is August 1, 2013.

Recommendation A-4. Rule 206 Process Deadlines

An RFR was approved by the Office of Regulatory Reinvention (ORR) on September 17, 2012, for amending R 336.1206. The AQD's [discussion paper](#) outlines the proposed changes to Rule 206 and 1817. The Air Advisory Council agreed on the language at their December 12, 2012 meeting. The draft ~~strike~~-bold version of the rules and RIS/CBA were submitted to ORR on March 20, 2013. This rule package is identified as ORR 2012-107 EQ. ORR approved the RIS/CBA and forwarded the rules on to the Legislative Service Bureau.

Recommendation A-5: Dispersion Modeling Guidance Document

A draft policy and procedure was presented to the Air Advisory Council at their March 1, 2013 meeting.

Recommendation A-6: Averaging Times and Testing (COMPLETED)

A finalize policy and procedure, identified as AQD-018 was presented to the Air Advisory Council at their March 1, 2013 meeting. This procedure can be found on the [DEQ Policy and Procedures](#) Web site.

Recommendation A-7: Rule 801, Rule 803, and State Implementation Plan (ON HOLD)

The federal Cross State Air Pollution Rule that changed the federal emissions trading program was vacated by the Washington D.C. Court of Appeals on August 23, 2012, so this recommendation cannot be followed through at this time.

Recommendation A-8. Michigan Continuous Emission Monitoring Rules (COMPLETED)

This recommendation has been completed. A [Rule 1170 discussion paper](#) has been prepared.

Recommendation A-9: Visible Emission Limitations

A draft policy and procedure was presented to the Air Advisory Council at their March 1, 2013 meeting. AQD staff are redrafting the policy and procedure base upon this input.

Recommendation A-10: Electrostatic Precipitators (COMPLETED)

Rule 330 requires electrostatic precipitators (ESPs) at listed source types to have automatic control systems that are set to provide maximum control. Rule 330 was promulgated in 1980 as part of Michigan's control strategy to address attainment of the federal standards for total suspended particulates and was also approved to address emissions of particulates from iron and steel sources, as

part of the Reasonable Available Control Technology State Implementation Plan in 1992. This rule duplicates requirements in Rule 910 and is obsolete with respect to state-of-the-art ESP systems. Rule 330 was rescinded, effective April 1, 2013.

Recommendation A-11: General Nuisance Rule

Discussion on this topic continued at both the January 16, 2013 and March 1, 2013 meetings of the Air Advisory Council.

Recommendation A-13. Stakeholder Involvement in SIP Development (COMPLETED)

This recommendation has been completed. A [SIP discussion paper](#) has been prepared. Although not part of the recommendation, the Air Advisory Council raised a concern about the current set of rules differs from the rules in the SIP. Externs working for the DEQ have been identifying these inconsistencies which AQD will address with the U.S. Environmental Protection Agency.

Recommendation A-14: Permit to Install Exemptions

The Exemption Workgroup held their second and third meetings on January 24, 2013 and March 6, 2013. The due date for final draft rules is August 1, 2013.

Recommendation A-16: Renewable Operating Permits - Volatile Organic Compounds from Small Sources (COMPLETED)

RULES 611 and 707(3)-(4) DISCUSSION

Rule Requirements and History

Rules 611 and 707 contain requirements for the operation of cold cleaners. Rule 611 applies to existing cold cleaners placed into operation before July 1, 1979 and Rule 707 applies to new cold cleaners placed into operation on or after July 1, 1979. Rule 707(3) and (4) identify requirements for all new cold cleaners. Rules 611 and 707 do not apply to cold cleaners subject to the National Emission Standards for Hazardous Air Pollutants for halogenated solvent cleaners in 40 CFR Part 63, subpart T.

Rules 611 and 707, which became effective on January 19, 1980, were part of Michigan's control strategy to address ozone and Rule 611 is a required Reasonable Available Control Technology (RACT) rule. The federal Clean Air Act required a State Implementation Plan to reduce volatile organic compound (VOC) emissions from various source types to address non-attainment with the National Ambient Air Quality Standard for ozone.

ORR Recommendation A-16

The DEQ should work with stakeholders to simplify the process for demonstrating compliance with Rules 611 and 707(3) and (4) for Renewable Operating Permit (ROP) facilities.

Analysis

All major sources are subject to ROP requirements under Rules 210-217 and Title V of the Clean Air Act. Per Rule 213(2), the ROP must contain conditions that ensure compliance with all applicable requirements. This includes the applicable requirements of Rules 611 and 707 for any source that has a cold cleaner.

A template table was developed to include in any ROP for a source with a cold cleaner that is either grandfathered or exempt from new source review under Rules 281(h) or 285(r)(iv). This template is structured to be a flexible group to include new and/or existing cold cleaners on-site into a single table. It includes all specific provisions of each rule to provide for maximum flexibility and allows for cold cleaners to be added or replaced without having to modify the ROP. The template table clearly identifies all applicable requirements for proper operation of cold cleaners. It also includes material limits on solvents as a means to prevent emission units subject to subpart T from improperly using the table and identifies the permit to install exemption requirements. The table provides a clear basis of compliance for the permittee.

The cold cleaner template table has undergone review by stakeholders on several occasions. The most recent review was conducted during the ROP Lean Process Initiative during the fall of 2011, the same time the ORR review activities were taking place. A workgroup consisting of both Air Quality Division (AQD) staff and industrial representatives reviewed all existing ROP templates and sought comments through the Michigan Manufacturer's Association. Through the Lean process, no comments on the cold cleaner table were received and the workgroup did not recommend any changes.

Recommendation

Through the Lean Process Initiative, the AQD worked with stakeholders to streamline the ROP process, including demonstrating compliance with Rules 611 and 707, and it was determined that no changes were needed to the ROP cold cleaner template table. This recommendation has been completed.

Recommendations A-18: Coke Oven Compliance Date Rule (COMPLETED)

R 336.1349 was rescinded on October 8, 2012.

Recommendation A-19. Limiting Compounds Required for Annual MAERS Report

No final decision has occurred on recommendation although good discussion occurred at the Air Advisory Council on December 12, 2012. See AQD's [Annual Emission Report Discussion](#) for more information.

Recommendation A-20: Putting a Hold on the 18-Month Construction Window for a Permit to Install

An RFR was approved by the ORR on September 17, 2012, for amending R 336.1201. See AQD's [Rule 201 Discussion Update](#). The draft strike-bold version of the rules and RIS/CBA was submitted to ORR on March 20, 2013. This rule package is identified as ORR 2012-107 EQ. ORR approved the RIS/CBA and forwarded the rules on to the Legislative Service Bureau.